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New results: containers only small portion of litter

WASHINGTON DC — Although backers of the mandatory deposit bill have consistently assigned high percentages to the amount of cans and bottles in litter, a new, independent study released recently by the Institute for Applied Research (IAR) indicates otherwise.

The detailed study reveals that beverage containers — the only items covered under "bottle bill" legislation — represent 11.1% of the nation's urban street litter and 20.3% of rural highway litter. These figures are considerably lower than was first believed.

The new, nationwide litter percentages were developed and published by the California-based IAR. The nationally recognized firm has conducted more than a dozen litter survey's during the past four years.

Bottle bill opponents, armed with the new litter percentages, will undoubtedly take up the argument that even the most successful deposit laws fail to address more than 88% of all urban street litter and close to 80% of rural highway litter.

Instead of bottle bills, deposit opponents have long supported the passage of statewide litter-control/recycling laws now being implemented in California, Ohio, Virginia, Washington, Alaska, Louisiana, Nebraska, South Carolina and Tennessee. These measures, believed by many to be more comprehensive, serve as alternatives to deposit laws. The legislation seeks to attack the litter problem through a program of clean-

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Consumerists decry Reagan food policies

WASHINGTON, DC — The Reagan administration has been taking it on the chin lately from consumer groups over its food safety policies, or lack thereof.

First came a scaring letter from Ralph Nader, charging that under Reagan's reign, there has been a "brand of anti-consumer extremism that would make the people of the Nixon and Ford Administrations blush with shame." He claimed it was

(Continued on page 29)

Secondary packaging suppliers await .5-L

SPECIAL REPORT — Makers of secondary packaging for soft drinks say they'll be ready when the .5-L PET bottle "breaks out" into wide distribution. Signs point to that being a distinct possibility in 1982. (See BI, *February 19, 1982, page 14.*)

Supply companies like Mead Packaging and Manville Forest Products are anxious to see the .5-L appear. They say paperboard is a better packaging material for product introduction and differentiation of the .5-L whether it's multipacked in 6, 8 or 12 units.

Bottlers and retailers, would much rather establish a market for primary container sizes in multiples. They'll want to do this with .5-L PET as the secondary packaging companies are helping them do for the

(Continued on page 16)

New theme, 'Coke is it!' big hit with bottlers

ATLANTA — Over 2,000 bottler executives, wives and invited guests jammed into the World Congress center located here last month to celebrate the launching of "Coke is it!," the new ad theme for Coca-Cola.

And celebrate they did!

Everyone expressed almost rabid approval of the new theme. Smiles and congratulatory handshakes were the order and all the chief executives of the firm were there to hear bottler comments. At the end of the evening Coca-Cola USA President Brian Dyson commented, "You know, I think they liked it."

His modest remark was an understatement. Earlier in the evening, the combined group had given a standing ovation at the conclusion of remarks by Dyson, Chairman Roberto Goizueta, VP-Marketing Operations Sergio Zyman and John Bergin, president of McCann-Erickson's USA region.

Zyman and Bergin were the two most instrumental in developing and implementing the new theme. Research for the campaign was not completed until mid-December. Then, the two executives put together production crews and went on the road to film eight new spot TV commercials.

Bergin joined McCann from Pepsi-Cola's ad agency and Zyman was formerly a marketing executive with the Purchase-based firm. "Coke is it!" is the first creative effort for this team as well as for Goizueta.

Actual wording of the

(Continued on page 13)

BI Week

LOTS of action on the caffeine-free front:

- **Seven-Up rolls out "Like," its caffeine-free and sugarless cola in five test markets. Madison, WI; San Diego, and Dayton are reportedly included. Meanwhile, the firm has designed new graphics for Seven-Up, incorporating the tagline, "contains no caffeine, never will."**
- **Sunkist will shortly roll out a decaffeinated version of its orange carbonated soft drink.**
- **Pepsi-Cola is testing at least three names for what reportedly will be a caffeine-free, noncaloric cola. The prospective names are: Pepsi Free, Pepsi Gold and Pepsi 2.**
- **Coke officials continue to deny that they are also work-**

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Packagers ready for .5-L multiples

Secondary packaging suppliers will be ready when the .5-L PET soft drink bottle takes hold in the United States. The companies will come up with their usual assortment of single-service multipack designs for the .5-L, perhaps by redesigning current multipack systems, whether plastic or paperboard. For their comments and **BI** estimates of market share for soft drink and beer secondary packaging materials, see **page 1.**

"Coke is it!" theme draws bottlers' praise

A crowd of over 2000 coke bottlers and their spouses gathered at the World Congress center in Atlanta to celebrate the unveiling of Coke's new ad theme. Bottlers and executives alike had nothing but praise for the new campaign which was made public less than 24 hours after it was shown to bottlers. For an overview, plus photos, see **page 1.**

New Pehrcap plastic closure designed

A new plastic closure, called the Pehrcap, has been patented by Shellvick Industries. A model suitable for carbonated beverages has been developed, and the firm is actively seeking licensees, according to Harold T. Pehr, president of the firm. The cap also has a pilfer-proof retention ring. For more details, see **page 4.**

Midwest bottlers battle the winter weather

Winter has taken its toll on Midwest soft drink bottlers with delivery schedules to meet. The St. Louis Dr Pepper Bottling Co. had a particularly difficult time at the beginning of February. Some shutdowns occurred; delivery vehicles had to be pulled from ditches. For more on this, see **page 6.**

Defeat legislation to tax soft drinks: NSDA

How to defeat proposed state legislation to tax soft drinks was the subject of the recent NSDA State Association Conference in Washington. Attendees heard former congressman Wilbur Mills, Robert Bohan, vice president, governmental affairs of NSDA and William Davis, counsel of Coca-Cola USA, speak on defeating the threat of deposit legislation. See **page 8.**

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Packaging

(Continued from page 1)

2-L PET.

In general, sources say, as plastics grow, there will be greater and greater opportunities for paperboard secondary packaging systems that enhance product visibility and offer other advantages such as ease of consumer handling and stackability.

To sell more product, a retailer can temporarily discount individual bottles (of 2-L PET), but then he would be establishing a market for single bottles. It's better, say packaging sources, for the retailer to discount multipacks of 2-L to increase unit sales by establishing a market for the multipacks.

Twin-packs of 2-L bottles are, according to sources, still in the early stages of consumer acceptance. Soon, the marketing focus will shift to making the twin-packs more viable. It's still a forthcoming market, says Mead packaging, which last year introduced its Cluster-Sleeve carrier for 2-L PET. 1982 is an entry and questioning period for the 2-L twin-packs, the company adds.

Hi-Cone has come out with a twin-pack carrier for 2-L bottles consisting of polyethylene film formed into a tube, with an injection-molded polypropylene handle. A prototype piece of equipment to handle the package is reportedly in place in Kansas City.

2-L popularity

A spokesman at Liberty Glass suggests that the growth in popularity of the 2-L PET bottle seems to have plateaued in its market in the eastern United States. Liberty believes that by 1984-85 the size of the market for single service units may be double what it is now.

Mead executives feel that in 1982 the single service sizes (10 and 16 oz. bottles) will grow rapidly, positioning glass against cans. The downward trend in the popularity of cans is said to be the major story of 1981.

Mead says it is concentrating on packaging of soft drink and beer cans in 12 pack multiples with a packaging system called Duo-Dozen. Whether it's cans or bottles, Mead asserts that the best way to increase unit sales is with multiple packaging, and the best material for the job is paperboard.

The company says that paperboard has eroded Contour-Pak dominance in packaging single service bottles (Plasti-Shield) and Mead is preparing programs in 1982 to strengthen paperboard's share.

Market share statistics seem to back Mead up. Between 1980 and 81', Contour-Pak lost about 12% of the market for NR single service packaging, 16 oz. and under: 66% in 1980; 54% in '81. Meantime, paperboard gained 10 percentage points in that market during the same two-year period: 33% in '80; 43% in '81.

visibility of graphics

A source at C.W. Zumbiel said he thought bottlers were doing themselves a disservice by using Contour-Paks because, he said, it's difficult to orient the logos on bottles for optimum brand visibility. Paperboard wraps or basket carriers, he said, are the better bet because they permit large package graphics without adjusting bottles and because they're less expensive than Contour-Pak: about 4 cents less per case.

Consumer complaints concerning Contour-Paks have been circulating, report some paperboard packagers, that bottles are hard to remove from the carriers, they don't stack well and they can interfere with threaded closures causing product venting.

Why then does Contour-Pak enjoy market dominance in single service packaging? Paperboard companies admit that "they jumped in ahead of us and got an edge."

Contour-Pak maker Owens-Illinois says that the polyethylene carriers are best for single-service size multipackages. The carrier fits cosily on top of Plasti-Shield bottles in four, six or eight packs. Under-the-carrier promotional messages are easily visible and don't interfere with bottle graphics.

The carriers also stay strong and dry in wet conditions, are easy for bottlers to apply, are easy for consumers to carry and help reduce inventory cost through standardization, according to O-I.

carriers for cans

The carrier market for soft drinks cans continues to be mainly Hi-Cone. Although, Hi-Cone's share dipped slightly in 1980 to 1981: 66% to 64%.

Sources suggest that the market share for film, in this category, holding steady at 4% in both years, refers to six-packs and a few eight-packs of cans.

Also, paperboard's share (3% in 1980 and 6% in '81) refers to 12-packs of cans, according to a source. Hi-Cone also leads in secondary packaging of beer cans. They have a 68% share in six-packs, down from 73% in 1980. Larger multiples of beer cans are moving up in market share. Twelve-packs of paperboard/corrugated registered a 4 percentage point gain 1980 to '81; and 24-pack multiples edged up one percentage point in the period to 7%.

Paperboard maintains its almost total dominance in the returnable soft drink bottle market, with 92% share in both '80 and '81. Returnable (eight-bottle, 16 oz. packs) are reportedly doing very well in Midwest markets. Single service NRs, on the other hand, appear to be taking over in the rest of the country, according to sources.

Secondary packaging trends

(share of market by percentage)

Soft drinks	1980	1981
Cans		
Hi-Cone	66	64
Loose	27	26
Film	4	4
Paperboard	3	6
NRs[1]		
Contour-Pak	66	54
Plastic clips	1.5	3
Paperboard	33	43
NRs[2]		
Paperboard	1	1
Loose	99	99
Plastics[3]		
Paperboard	5	10
Loose	95	90
Returnables		
Paperboard	92	92
Loose	2	2
Plastic	6	6

Beer	1980	1981
Cans		
Hi-Cone	73	68
12-Pack[4]	21	25
24-Pack[5]	6	7
NRs		
Loose[6]	13	13
6-Pack (basket)	41	40
6-Pack (wrap)	40	40
12-Pack (wrap)	6	7
Returnables		
Loose	90	90
Basket	10	10

[1] Single service; 16 oz. and under
[2] Single service; .5-L and under
[3] Family size; over .5-L
[4] 99% paperboard; 1% corrugated
[5] 10% paperboard; 90% corrugated
[6] Includes quart size bottles

Source: BI estimates

Copyright: Beverage Industry, March 12, 1982

Study on POP beer displays available

NEW YORK — Point-of-Purchase Advertising, Inc., (POPAI) released an independent research study by Product Acceptance and Research, Inc., that found the value of point-of-purchase displays in the brewing industry can be increased by the use of attention getting devices such as motion.

The study, entitled, "Two Studies on the Effectiveness of Static and Motion Displays for the Brewing Industry," was conducted in two phases. The first phase, the market sales test, compared the difference in sales volume between no display and a static display, while measuring the impact of a static display versus a motion display.

The market sales test consisted of displays installed under typical store conditions in 12 liquor stores and 12 supermarkets in California cities with different demographics. Over 62,000 purchases were recorded during a four week period in the fall of 1980. The product tested was Olympia beer in 12 oz. cans in 12 pack cases.

The second phase, the consumer awareness test, measured the comparative impact on consumer awareness of three point-of-purchase displays: a static display; a display with a front to back motion device; and a display incorporating oscillating motion.

The consumer awareness test consisted of consumer exposure to the displays while on their regular shopping trips in six large supermarkets in the Evansville, IN, area. From among 2,000 shoppers who were interviewed, 1,128 regular beer purchasers were identified. These beer purchasers were then interviewed to determine their recall of product, brand and price.

The results of the market sales test found static displays increased sales in liquor stores by 56% over stores where no displays were used, yet sales in stores using displays with motion rose 107% over establishments using no displays. In food stores static displays improved sales by 18% over stores where no displays were used and motion displays increased sales by 49% over those stores with no displays.

Olympia beer, throughout the test, showed significant increases in market share with an increase of 25% for static displays versus no displays and 33% for motion displays versus no displays.

The results of the consumer awareness test found that after one exposure, 41% of beer purchasers recalled seeing a display for beer. This base of 465 respondents was interviewed to determine their awareness of the display's features and their recall of product, brand and package.

The study stated that 43% recalled seeing the static display, 62% recalled seeing the display with front and back motion, and 94% recalled seeing the display with oscillating motion.

The study also found that 75% of the consumers recalled the price on the static display, 82% correctly recalled the price on the front to back motion display, and 88% correctly recalled the price on the oscillating motion display. Those who could remember the brand of beer on display, which was Olympia, were 80% of all 465 respondents.

Reports such as this serve to exemplify Kenneth J. Brenner's, chairman of POPAI, statement that business volume in the point-of-purchase industry for the second quarter of 1981 increased 30% over a similar period in 1980.

Brenner stated, "This clearly means that today's consumer remains largely a product of such in-store influences as price, new products, and point-of-purchase displays and it is imperative for the marketing community to continue to respond to this pattern in the coming years."

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Bottle bill would cost New Yorkers $400m

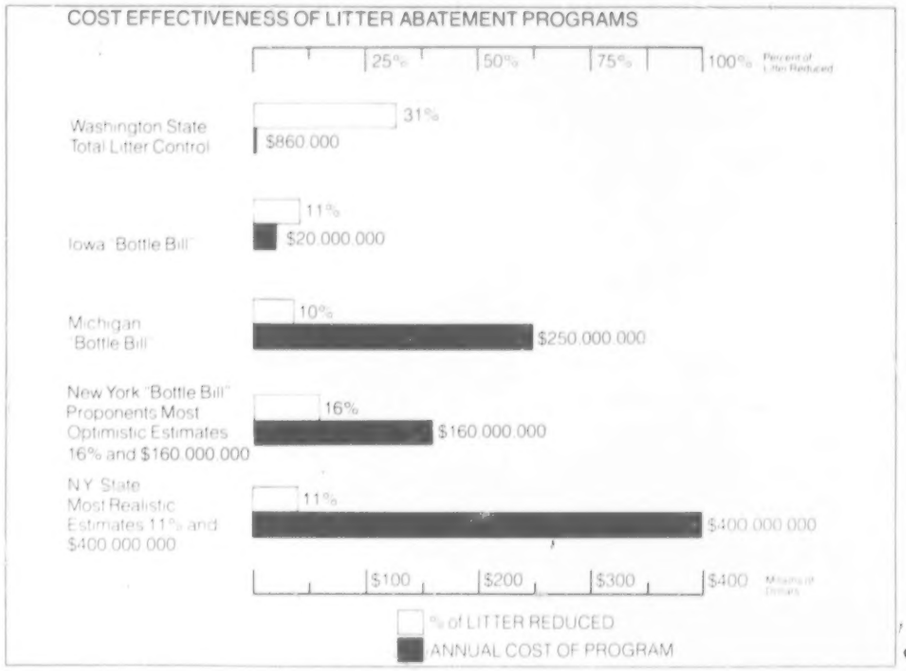
NEW YORK — New Yorkers will pay $400 million for an 11% statewide reduction in litter if the mandatory deposit bill pending in Albany is passed. These statistics, from a study recently released by the New York Council for Total Litter Reduction, are based on the the experience of other forced deposit states where prices have risen 25 cents a six-pack.

The report notes that in Iowa consumers are paying $20 million in higher beverage prices, while in Michigan the cost to consumers is $250 million.

The study contrasts these costs to the $860,000 spent annually in Washington, where a total litter control/recycling approach has reduced litter by 31% over a four year period.

Two bills designed to deal with the state's litter problem are currently pending in the New York State Legislature: One bill is a total litter control/recycling approach to reduce all litter. The other, the so-called "bottle bill," places a forced deposit of at least 5 cents on each beer and soft drink drink container (including non-refillables).

The litter control/recycling bill has reduced litter by as much as 66% in other states that enacted similar legislation, according to the report.



The bottle bill is intended to address the problem of street and highway litter, which the report puts at 20% of total litter.

The total litter control/recycling approach would use tax money already collected from corporations and would cost consumers nothing extra, the report states. The funds made available during the first year would be approximately $11.2 million.

On the other hand, the report notes, even proponents of the bill admit that total litter would be reduced by only 16% at a cost of $160 million if the bill is enacted.

The bills representing both approaches have been assigned to the Commerce Committee in the Assembly and are expected to be reported out for a vote by the entire Assembly this spring. This will be the first time that New York state legislators will have an opportunity to vote on the two alternative approaches to litter control.

The purpose of the New York Council for Total Litter Control is to stimulate public awareness and legislative support for comprehensive statewide litter reduction and recycling programs.

Reverse vending machine issues coupons for cash

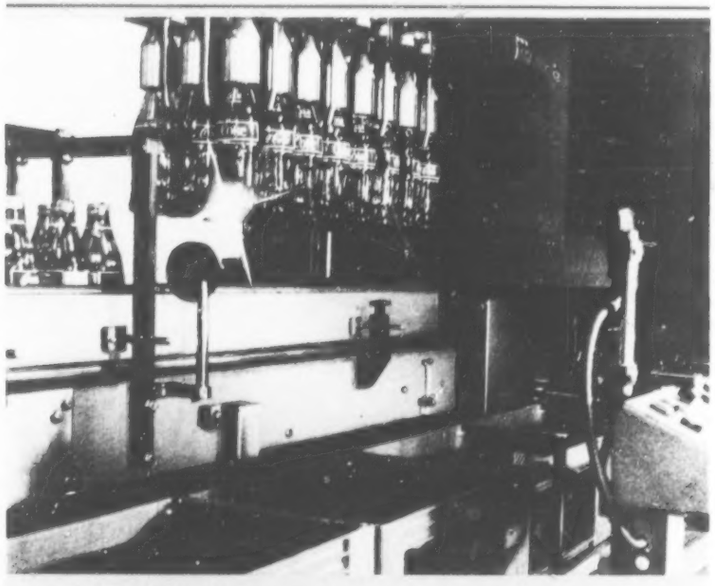
LOS ANGELES — A new unmanned reverse vending machine that issues redeemable coupons in exchange for aluminum or steel cans is now available from Canco Recycling.

Aimed at the supermarket industry, the new unit, manufactured by the Coinbak Co., dispenses a coupon good for cash or merchandise when accepting a can from a consumer.

Canco Recycling, formed in August 1980, is a division of U.S. Reduction Co., a wholly owned subsidiary of American Can Co. Canco already provides Coinbak reverse vending machines to a number of stores and a regional chain. Located in or around the stores, these machines return a varying amount of cash to consumers depending on state deposit requirements.

According to George E. Herrman, president of Canco, "Retailers are a major source of supply for us in recovering beverage cans for recycling to major producers. The new coupons-for-cans machine is an example of our interfacing with that industry to develop practical programs that will create consumer interest and participation." Mr. Herrman added that reverse vending makes it possible for retailers to operate efficient, low-cost redemption centers, while reducing labor cost, building customer traffic and good will.

• For more information on **Canco Recycling**, circle no. 504; for **Coinbak**, circle no. 505.



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